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February 18, 2010

Statement
Of
Anthem Blue Cross and Blue Shield
On
SB 17 An Act Concerning Health Care Provider Rental Network Contract
Arrangements

Good afternoon, Senator Crisco, Representative Fontana and members of the Insurance and Real Estate Committee. My name is Christine Cappiello and I am the Director of Government Relations for Anthem Blue Cross and Blue Shield in Connecticut and I am here to testify on SB 17 An Act Concerning Health Care Provider Rental Network Contract Arrangements.

We are unclear about why this legislation has been submitted. As the committee may recall, in 2008, the Legislature passed SB 273 An Act Concerning Regulation of the Secondary Market In Physician Discounts (Public Act 08-126) which sets in statute regulation around the relationship between providers, health plans and the "rental networks" that the health plan may use. The legislation was the hard work of legislators, CT Medical Society, The CT Association of Health Plans, Anthem Blue Cross and Blue Shield and the Department of Insurance. In fact, due to the negotiation from the 2008 legislation among all players, the passed legislation successfully balances providers' needs for payor information against payors' needs to be able to contract both as an insurer and as a TPA with self-funded customers. The legislation went into effect on October 1st 2008 and as far as we understand all parties are pleased with its implementation and believe it addressed the issues expressed when the legislation was originally submitted in 2008. It seems to us that this legislation is unnecessary.

Thank you for the opportunity to speak on this bill and I welcome any questions you may have.